

## PENALTY AND INTEREST RATES

### Late Filing Penalty

A late filing penalty of \$25 per month (or fraction of a month) may be imposed for each month that a yearly income tax return remains unfiled. This late filing penalty shall not exceed \$150 for each failure to file.

### Late Payment Penalty

A penalty may be imposed on unpaid income tax equal to 15% of the amount not timely paid.

### Late Payment Interest

Interest is to be imposed on all unpaid income tax and employer withholding. The interest rate to be applied each calendar year is the federal short-term rate, rounded to the nearest whole number percent, plus 5%. This is divided by 12 to get the monthly rate.

Tax Year	Annual Rate	Monthly Rate
2015 & Prior	18.0%	1.5%
2016	5.0%	0.42%
2017	6.0%	0.5%
2018	6.0%	0.5%
2019	7.0%	0.5833%
2020	7.0%	0.5833%
2021	5.0%	0.42%
2022	7.0%	0.5833%